

## **The complaint**

Mrs C complains that Barclays Bank UK PLC (Barclays) declined a loan application despite initially accepting it. She would like more compensation than Barclays has offered.

## **What happened**

The details of this complaint are well known to both parties so I won't repeat them again here. Instead, I will focus on giving the reasons for my decision.

## **What I've decided – and why**

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Having done so I have reached the following conclusions:-

- In her complaint to us Mrs C has referred to her husband's loan application to Barclays. I need to make it clear that in this decision I can only consider Mrs C's loan application and how Barclays dealt with this.
- I do understand Mrs C's frustration. She is a long-standing customer of Barclays and when she applied for a loan it was initially accepted but then declined. When she first contacted us she wanted to understand why. On investigating Barclays confirmed it had made a mistake. It apologised, through us, and offered Mrs C £150 compensation for the distress and inconvenience. Our investigator supports this but Mrs C doesn't feel this is sufficient.
- I do think it's fair that Mrs C is compensated for the distress and inconvenience. It's taken some time for her to understand what the issue was. It was only after further investigation from Barclays that it became clear that it didn't complete Mrs C's application. The application didn't go through Barclays score system nor did its manual underwriting team consider it. Clearly Barclays made a mistake.
- Mrs C has told us that as a result of Barclays actions a business loan had to be taken out. Although she hasn't evidenced this I have no reason to disbelieve her. However loans are subject to status, credit checks and financial circumstances so had Barclays correctly processed her application I can't say for sure it would have been accepted. On this basis I can't hold Barclays responsible for any other loan taken out instead. I have also considered that in not completing Mrs C's loan application no information was recorded on her credit file that could potentially impact on future loan applications. So, whilst she has been inconvenienced she hasn't suffered any direct loss as a result. Considering all this information I feel that the offer Barclays has made is fair in the circumstances.

## **My final decision**

My final decision is that the business has made a fair offer.

In full and final settlement Barclays Bank UK PLC should pay Mrs C £150 compensation for the distress and inconvenience of not correctly processing her loan application.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs C to accept or reject my decision before 28 May 2024.

Bridget Makins  
**Ombudsman**